STATE OF DELAWARE OFFICE OF AUDITOR OF ACCOUNTS

DEPARTMENT OF HEALTH AND SOCIAL SERVICES

DIVISION OF SUBSTANCE ABUSE AND MENTAL HEALTH

FOLLOW-UP TO SPECIAL INVESTIGATION

FIELDWORK END DATE: JULY 14, 2009

R. THOMAS WAGNER, JR., CFE, CGFM, CICA AUDITOR OF ACCOUNTS

Townsend Building, Suite 1
401 Federal Street
Dover, DE 19901
TELEPHONE (302) 739-4241
FACSIMILE (302) 739-2723
www.state.de.us/auditor/index.htm

TABLE OF CONTENTS

Audit Authority]
Background	2
Objective, Scope, and Methodology	3
Status of Prior Year Findings and Recommendations	۷
Distribution of Report	4

AUDIT AUTHORITY

Title 29, Del. C. c. 29 authorizes the Auditor of Accounts to file written reports containing:

- 1. Whether all expenditures have been for the purpose authorized in the appropriations;
- 2. Whether all receipts have been accounted for and paid into the State Treasury as required by law;
- 3. All illegal and unbusinesslike practices;
- 4. Recommendations for greater simplicity, accuracy, efficiency, and economy; and
- 5. Such data, information, and recommendations as the Auditor of Accounts may deem advisable and necessary.

BACKGROUND

The Office of Auditor of Accounts (AOA) issued a Special Investigation report entitled *Time Theft and Phone Usage* for the Department of Health and Social Services, Division of Substance Abuse and Mental Health (DSAMH). The report was dated April 21, 2008. Findings in that report included:

- Time records did not reflect actual hours worked and lacked documentation to support approval of a flex schedule or on-call status. In addition, the supervisor did not perform proper review and approval functions to ensure that time records reflected actual hours worked.
- A DSAMH employee used her assigned work cell phone for personal purposes during the month of October 2007. Personal charges for the month totaled \$19.52.
- DSAMH does not have an acceptable use policy for work cell phones.
- DSAMH was unable to locate detailed billings for several months; hence, AOA could not determine the amount of personal use during those months.

AOA conducted this follow-up engagement to determine if the above findings were satisfactorily corrected.

OBJECTIVE, SCOPE, AND METHODOLOGY

OBJECTIVE AND SCOPE

The objective of this follow-up engagement was to identify and evaluate the adequacy of management actions in response to the findings and recommendations included in the Special Investigations Report dated April 21, 2008.

The scope of this engagement, a non-audit service, was limited to the findings and recommendations in the aforementioned report. Testing of the status of the previous recommendations was performed for the period from January 1, 2009 through April 30, 2009.

METHODOLOGY

Procedures consisted of interview and inquiry of key personnel, inspection and confirmation of documentation, and observation. The current status of findings and recommendations was reported as follows:

Implemented: The concern has been addressed by implementing the original or an

alternate corrective action.

Not Implemented: The corrective action has not been initiated.

Partially Implemented: The corrective action has been initiated but is not complete and the

auditor has reason to believe management fully intends to address the

concern.

Withdrawn: The concern no longer exists because of changes in the Department's

processes and/or auditor has reason to believe the issue is no longer

relevant.

STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS

Finding	Recommendation	Current Year Status
Time records did not reflect actual hours worked	DSAMH should 1) Require that time records reflect	Partially Implemented.
and lacked documentation to support approval of a	actual time worked; 2) Document approvals for flex	
flex schedule or on-call status. In addition, the	schedules and alternative work schedules; 3) Document	Approvals for flex schedules
supervisor did not perform proper review and	on-call status of employees; and 4) Counsel the	and alternative work schedules
approval functions to ensure that time records reflected actual hours worked.	supervisor on the importance of accurate and complete timekeeping as well as review and approval functions.	were resolved, on-call status of
refrected actual flours worked.	timekeeping as wen as review and approval functions.	employees was not applicable; however, time records did not
		reflect actual time worked.
A DSAMH employee used her assigned work cell	DSAMH should 1) Require the employee to reimburse	Partially Implemented.
phone for personal purposes during the month of	DSAMH for \$19.52 for personal use of the cell phone. If	r · · · · · · · · · · · · · · · · · · ·
October 2007. Personal charges for the month	additional personal use is identified, DSAMH should	DSAMH has requested
totaled \$19.52.	require reimbursement. and 2) Take appropriate	reimbursement from the
	personnel action for improper use of the work cell phone.	employee; however, this issue
DGAMWA		remains outstanding.
DSAMH does not have an acceptable use policy for work cell phones.	Develop an acceptable use policy for work cell phones. The policy should include a management review of	Not implemented.
work cen phones.	detailed billings to assist in identifying improper use of	
	work cell phones.	
DSAMH was unable to locate detailed billings for	Request detailed billings from the vendor to determine if	Partially Implemented.
several months; hence, AOA could not determine	there were charges for personal use in other months, OR	Fartially implemented.
the amount of personal use during those months	calculate the average charge made from personal usage	50.000
the amount of personal use during those months	by the employee from the time the employee was	DSAMH calculated the average
	assigned the cell phone through present, and require the	charge made from personal usage by the employee from the
	employee reimburse DSAMH the average amounts.	time the employee was assigned
		the cell phone through present
		and requested reimbursement;
		however, the reimbursement
		was not made and this issue
		remains outstanding. DSAMH
		requested and receives detailed
		billings from the vendor.

DISTRIBUTION OF REPORT

Copies of this report have been distributed to the following public officials:

The Honorable Jack Markell, Governor, State of Delaware

The Honorable Russell T. Larson, Controller General, Office of the Controller General

The Honorable Joseph R. Biden, III, Attorney General, Office of the Attorney General

Officials of Audited Entities

The Honorable Rita Landgraf, Secretary, Department of Health and Social Services

Ms. Valencia Beaty, Director, Division of Management Services, Department of Health and Social Services

Ms. Melissa Isbell, Controller, Division of Management Services, Department of Health and Social Services